

FIDELITY SELECT FUNDRANKER™

Volume 5 Issue 11

The Right Funds at the Right Time

November 2010

October Performance

In October, the market approached its April 23 bull market highs. Five *Top Eight Model Portfolio* funds had one-month gains that exceeded 5%, ranging from 5.22% for IT Services to 7.28% for Automotive. Communications Equipment, Retailing, and Gold trailed with smaller gains of 2.81%, 2.70%, and 1.94%, respectively. The *Top Eight Model Portfolio* ended October with a one-month gain of 5.400%.

Nasdaq Composite tracking portfolio, *Top Eight Model Portfolio*, and S&P 500 tracking portfolio YTD returns at the end of October were 11.141%, 8.069%, and 7.647%, respectively.

Final Performance of Funds Sold on October 7

Fundranker exchanged six funds on October 7. Here are the returns they contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Air Transportation (FSAIX)	2/3/2010	10/7/2010	20.61%
Multimedia (FBMPX)	2/3/2010	10/7/2010	16.31%
Pharmaceuticals (FPHAX)	9/7/2010	10/7/2010	7.53%
Telecommunications (FSTCX)	9/7/2010	10/7/2010	7.15%
Utilities (FSUTX)	9/7/2010	10/7/2010	2.59%
Wireless (FWRLX)	9/7/2010	10/7/2010	6.30%

Fundranker Volatility

The *Fundranker* system has been unusually volatile recently. It will exchange four funds in November after exchanging four, three, four, five, and six funds in June through October, respectively. As you can see above and at right, funds sold on October 7 and due to be sold on November 8 had very respectable gains; many were downright phenomenal. So why did the *Fundranker* system exchange them? Take a look at the October ratings on page 2 as well as the September ratings on page 2 of the October issue.

The *Fundranker* system is based on relative performance of the 39 Select funds over 12-, six-, three-, and one-month periods. The changes for a particular fund's returns for these four periods from one month to the next are due to an older month rolling off each return period and a newer month rolling onto it. If a poor month rolls off and a great month rolls on, for example, a fund's return for a particular period could change dramatically. Combine four such changes and the wildcard of a bonus point for the top 12 returns for each period, and you can see that a fund's rating can change significantly from one month to another. Finally, consider 39 Select funds, many with dramatically changed ratings, jockeying for position, and you can see that a large number of funds easily could fall out of the *Top Eight Model Portfolio*.

Intuitively, it seems likely that the average number of *Fundranker* exchanges could be on the high side, but, in practice, it isn't. After the recent run of higher than usual numbers of exchanges, we reviewed *Fundranker's* history of exchanges. On average, it exchanges 2.6 funds each month, including a very stable six-month period from December, 1999, through May, 2000, when it exchanged a total of only two funds and its most volatile as well as most recent six-month period, June, 2010, through November, 2010, with a total of 26 exchanges.

Holding Period Alert

If you purchased shares after October 8 of any funds which are being exchanged on November 8, to avoid roundtrip transactions under Fidelity's frequent trading policy for Select funds, you should wait at least 30 days after purchase before exchanging them.

Investing New Money

If you are a new subscriber, or you have new money to invest using the *Fundranker* system, first put the new money into Select

Money Market. To minimize exposure to roundtrip transactions, on the next *Invest New Money Date* (see box below), exchange your new money into the funds in the *Top Eight Model Portfolio* for that month.

New subscribers should allocate equal amounts to each of the eight funds. If you already have a portfolio of Top Eight funds, allocate new money only to funds that are not being exchanged this month to balance those funds as much as possible.

Subscribe to Fidelity Select Fundranker

You can subscribe to *Fidelity Select Fundranker* for \$49/first year, \$99/year thereafter. For these yearly fees, you will receive 12 issues of *Fidelity Select Fundranker* newsletter via email on or before the first day of each month. You also will receive an email in advance of each issue to alert you to the upcoming issue and the likelihood of the possible exchange dates, so that you can plan ahead for your exchanges. *Fidelity Select Fundranker* has a website, www.fundranker.com, with much historical information about the *Fidelity Select Fundranker* system, but subscribing to the newsletter is the only way to get timely notice of the monthly exchanges. To subscribe, click the Subscribe button at www.fundranker.com.

Questions and Suggestions

Do you have a question about investing using the *Fundranker* system or a suggestion for the newsletter or website? Check the FAQs or use the *Contact Us* form at www.fundranker.com. We welcome your input.

Top Eight Model Portfolio for November 2010

Fund Name (Symbol)	Purchase	Return to 10/29
1. Air Transportation (FSAIX)	11/8/2010	
2. Automotive (FSAVX)	10/7/2010	5.26%
3. Transportation (FSRFX)	3/5/2010	21.44%
4. Gold (FSAGX)	9/7/2010	6.91%
5. Chemicals (FSCHX)	11/8/2010	
6. Leisure (FDLSX)	11/8/2010	
7. Technology (FSPTX)	10/7/2010	6.85%
8. Materials (FSDPX)	11/8/2010	
Funds to be sold on November 8:		
12. Consumer Discretionary (FSCPX)	10/7/2010	4.20%
14. IT Services (FBSOX)	10/7/2010	4.46%
20. Communications Eqpt (FSDCX)	10/7/2010	3.63%
21. Retailing (FSRPX)	10/7/2010	2.15%

Fundranker Exchanges for November 8

Sell Communications Eqpt (FSDCX), buy Air Transportation (FSAIX)
Sell Retailing (FSRPX), buy Chemicals (FSCHX)
Sell Consumer Discretionary (FSCPX), buy Leisure (FDLSX)
Sell IT Services (FBSOX), buy Materials (FSDPX)

Fundranker Invest New Money Date

Invest new money on November 2.

Optional Rebalancing Exchange Dates

Method 1: none; Method 2: November 2; Method 3: November 8 (see the rebalancing FAQ at www.fundranker.com for more information)

Upcoming Fundranker Exchange Date

If all funds to be exchanged have been held more than one month, *Fundranker* will exchange on December 2; otherwise *Fundranker* will exchange on December 8.

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<i>Fundranker Ratings for 10/29/10</i>	12-Month	6-Month	3-Month	1-Month	<i>Fundranker</i>	<i>Fundranker</i>
Fund (Symbol)	Return %	Return %	Return %	Return %	Rating**	Ranking
Air Transportation (FSAIX)	65.25*	8.28*	10.65	7.29*	25.868	1
Automotive (FSAVX)	47.92*	10.16*	13.63*	7.28*	23.748	2
Banking (FSRBX)	9.25	(18.31)	(5.38)	0.12	(3.580)	37
Biotechnology (FBIOX)	20.00	(3.51)	9.30	2.61	7.100	30
Brokerage & Investment Mgmt (FSLBX)	2.38	(10.29)	2.98	2.39	(0.635)	36
Chemicals (FSCHX)	34.29*	9.97*	15.97*	9.33*	21.390	5
Communications Equipment (FSDCX)	29.37	5.50	12.00	2.81	12.420	20
Computers (FDCPX)	31.67	9.76*	15.13*	6.46*	18.755	10
Construction & Housing (FSHOX)	17.54	(14.63)	4.05	(1.20)	1.440	35
Consumer Discretionary (FSCPX)	35.09*	3.30	13.41*	5.40	16.300	12
Consumer Staples (FDFAX)	13.98	6.94	8.87	3.28	8.268	27
Defense & Aerospace (FSDAX)	33.42*	2.02	8.34	6.41*	14.548	15
Electronics (FSELX)	25.63	(0.76)	12.74	8.31*	12.480	18
Energy (FSENX)	8.27	(1.37)	10.71	6.02*	6.908	31
Energy Service (FSSEX)	12.56	(1.75)	12.71	5.29	7.203	29
Environment & Alternative Energy (FSLEX)	19.46	4.41	8.54	3.15	8.890	24
Financial Services (FIDSX)	(2.00)	(16.72)	(4.86)	(2.27)	(6.463)	39
Gold (FSAGX)	38.55*	15.68*	20.35*	1.94	22.130	4
Health Care (FSPHX)	19.82	1.30	11.06	3.04	8.805	25
Home Finance (FSVLX)	6.37	(15.35)	(6.36)	(1.01)	(4.088)	38
Industrial Equipment (FSCGX)	31.34	(0.37)	7.76	3.47	10.550	23
Industrials (FCYIX)	33.39*	0.95	7.77	3.59	12.425	19
Insurance (FSPCX)	17.87	0.65	5.58	2.46	6.640	32
IT Services (FBSOX)	27.69	6.95	15.08*	5.22	14.735	14
Leisure (FDLSX)	42.83*	5.73	14.03*	7.56*	20.538	6
Materials (FSDPX)	32.28*	7.49*	14.95*	8.15*	19.718	8
Medical Delivery (FSHCX)	20.19	0.63	11.08	2.30	8.550	26
Medical Equipment & Systems (FSMEX)	12.99	(4.73)	7.40	1.55	4.303	33
Multimedia (FBMPX)	39.71*	6.37	12.36	8.09*	18.633	11
Natural Gas (FSNGX)	0.97	(5.01)	8.22	3.86	2.010	34
Natural Resources (FNARX)	13.29	0.82	11.29	5.74	7.785	28
Pharmaceuticals (FPHAX)	26.43	8.63*	14.11*	3.47	15.160	13
Retailing (FSRPX)	28.33	(1.21)	15.47*	2.70	12.323	21
Software & Computer Services (FSCSX)	27.93	11.13*	18.96*	8.55*	19.643	9
Technology (FSPTX)	35.30*	11.10*	17.73*	5.98	20.528	7
Telecommunications (FSTCX)	27.43	12.12*	10.46	1.82	13.958	16
Transportation (FSRFX)	61.79*	5.77	8.79	6.63*	22.745	3
Utilities (FSUTX)	22.03	8.95*	8.56	3.36	11.725	22
Wireless (FWRLX)	26.07	9.71*	9.87	2.71	13.090	17

*Bonus point for being in the top 12 positive returns for a specific period

**Bonus points plus average of 12-, 6-, 3-, and 1-month returns

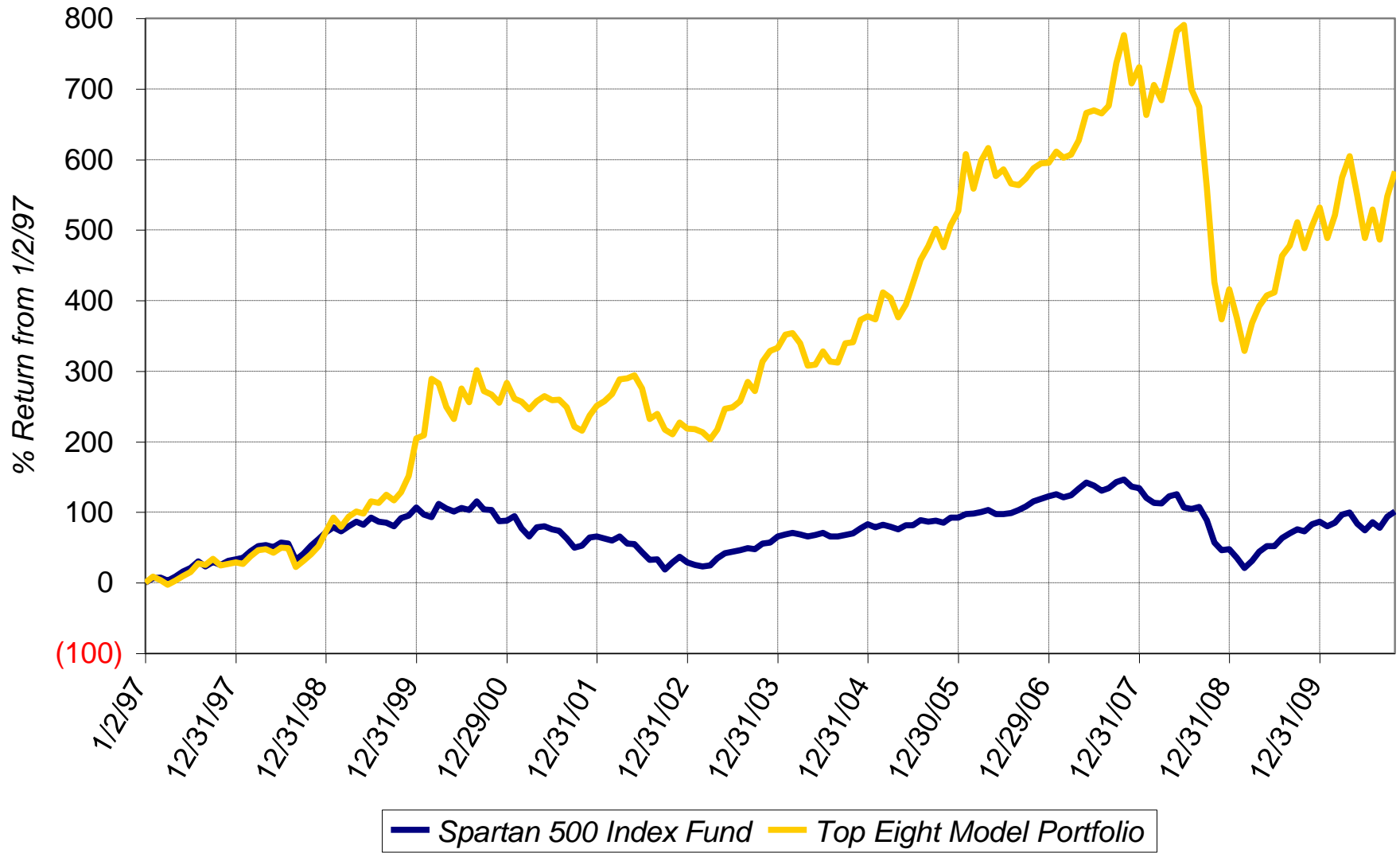
Sell on November 8, 2010

Buy on November 8, 2010

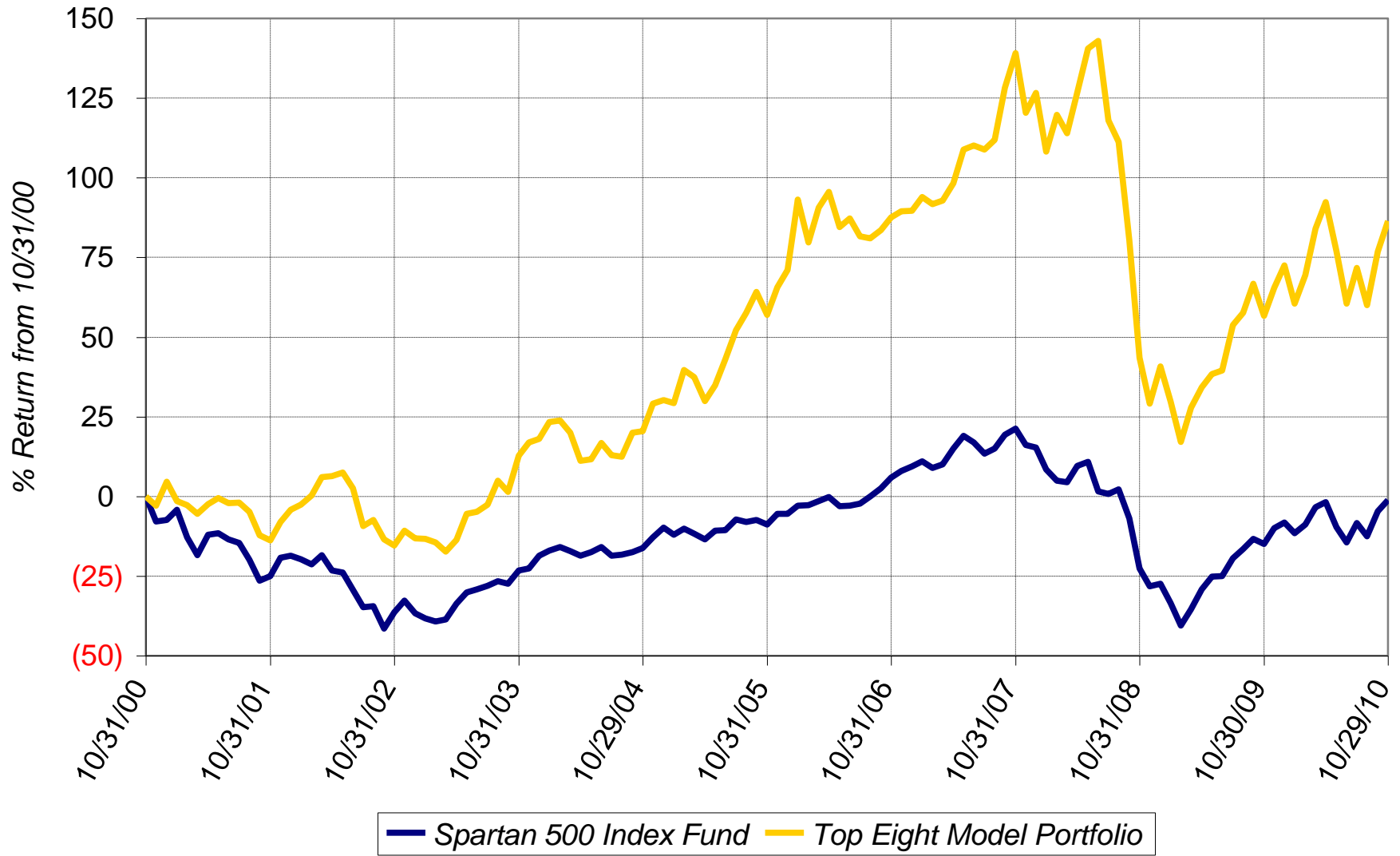
Hold

Fundranker Performance for October 2010													
9/30 Funds	9/30 Shares	9/30 Amount	<=10/7 Div Shrs	10/7 Shares	10/7 Amount	10/7 Funds	10/7 Shares	10/7 Amount	>10/7 Div Shrs	10/29 Shares	10/29 Amount	Oct Return	
FSAGX	368.618	19,422.48	none	368.618	19,798.47	FSAVX	537.633	19,720.38	none	537.633	20,758.01		
FSUTX	393.359	18,719.95	none	393.359	18,999.24	FSAGX	367.164	19,720.38	none	367.164	19,720.38		
FSTCX	449.063	19,790.21	none	449.063	19,844.09	FSPTX	236.257	19,720.38	none	236.257	21,071.76		
FSRFX	390.951	19,414.63	none	390.951	19,743.03	FSRFX	390.503	19,720.38	none	390.503	20,677.13		
FSAIX	499.309	19,587.89	none	499.309	20,047.26	FSDCX	832.786	19,720.38	none	832.786	20,436.57		
FBMPX	506.409	19,466.36	none	506.409	19,729.69	FSRPX	410.841	19,720.38	none	410.841	20,143.53		
FWRLX	2,653.203	19,554.11	none	2,653.203	19,686.77	FSCPX	899.652	19,720.38	none	899.652	20,548.05		
FPHAX	1,660.929	19,598.96	none	1,660.929	19,914.54	FBSOX	1,022.311	19,720.38	none	1,022.311	20,599.57		
Top Eight		155,554.59			157,763.09			157,763.00			163,955.00	5.400	
FNCMX	1,543.031	48,698.06	none						none	1,543.031	51,568.10	5.894	
FUSEX	1,145.128	46,480.75	none						5.362	1,150.490	48,240.05	3.785	
Yearly Summaries				1997	1998	1999	2000	2001					
				Return %	Return %	Return %	Return %	Return %					
<i>Top Eight Model Portfolio</i>				29.144	33.441	76.892	25.824	(8.468)					
Nasdaq Composite Index Fund				N/A	N/A	N/A	N/A	N/A					
Spartan 500 Index Fund - Investor Class				33.628	28.498	20.633	(9.132)	(12.054)					
Yearly Summaries				2002	2003	2004	2005	2006					
				Return %	Return %	Return %	Return %	Return %					
<i>Top Eight Model Portfolio</i>				(9.333)	35.952	10.340	31.341	10.863					
Nasdaq Composite Index Fund				N/A	N/A	8.598	1.902	10.031					
Spartan 500 Index Fund - Investor Class				(22.173)	28.487	10.733	4.858	15.712					
Yearly Summaries				2007	2008	2009	2010 YTD						
				Return %	Return %	Return %	Return %						
<i>Top Eight Model Portfolio</i>				19.463	(37.882)	22.518	8.069						
Nasdaq Composite Index Fund				10.497	(40.041)	44.959	11.141						
Spartan 500 Index Fund - Investor Class				5.426	(37.047)	26.502	7.647						
Lifetime Summary				1/2/97 to 10/29/10		1/2/97 to 10/29/10							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				583.146		14.902							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				101.000		5.176							
10-Year Summary				10/31/00 to 10/29/10		10/31/00 to 10/29/10							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				86.396		6.425							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				(1.133)		(0.114)							
5-Year Summary				10/31/05 to 10/29/10		10/31/05 to 10/29/10							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				18.695		3.487							
Nasdaq Composite Index Fund				22.291		4.107							
Spartan 500 Index Fund - Investor Class				8.556		1.655							
3-Year Summary				10/31/07 to 10/29/10		10/31/07 to 10/29/10							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				(22.056)		(7.971)							
Nasdaq Composite Index Fund				(10.273)		(3.549)							
Spartan 500 Index Fund - Investor Class				(18.437)		(6.568)							
1-Year Summary				10/30/09 to 10/29/10		10/30/09 to 10/29/10							
				Total Return %		Total Return %							
<i>Top Eight Model Portfolio</i>				18.983		18.983							
Nasdaq Composite Index Fund				23.633		23.633							
Spartan 500 Index Fund - Investor Class				16.303		16.303							

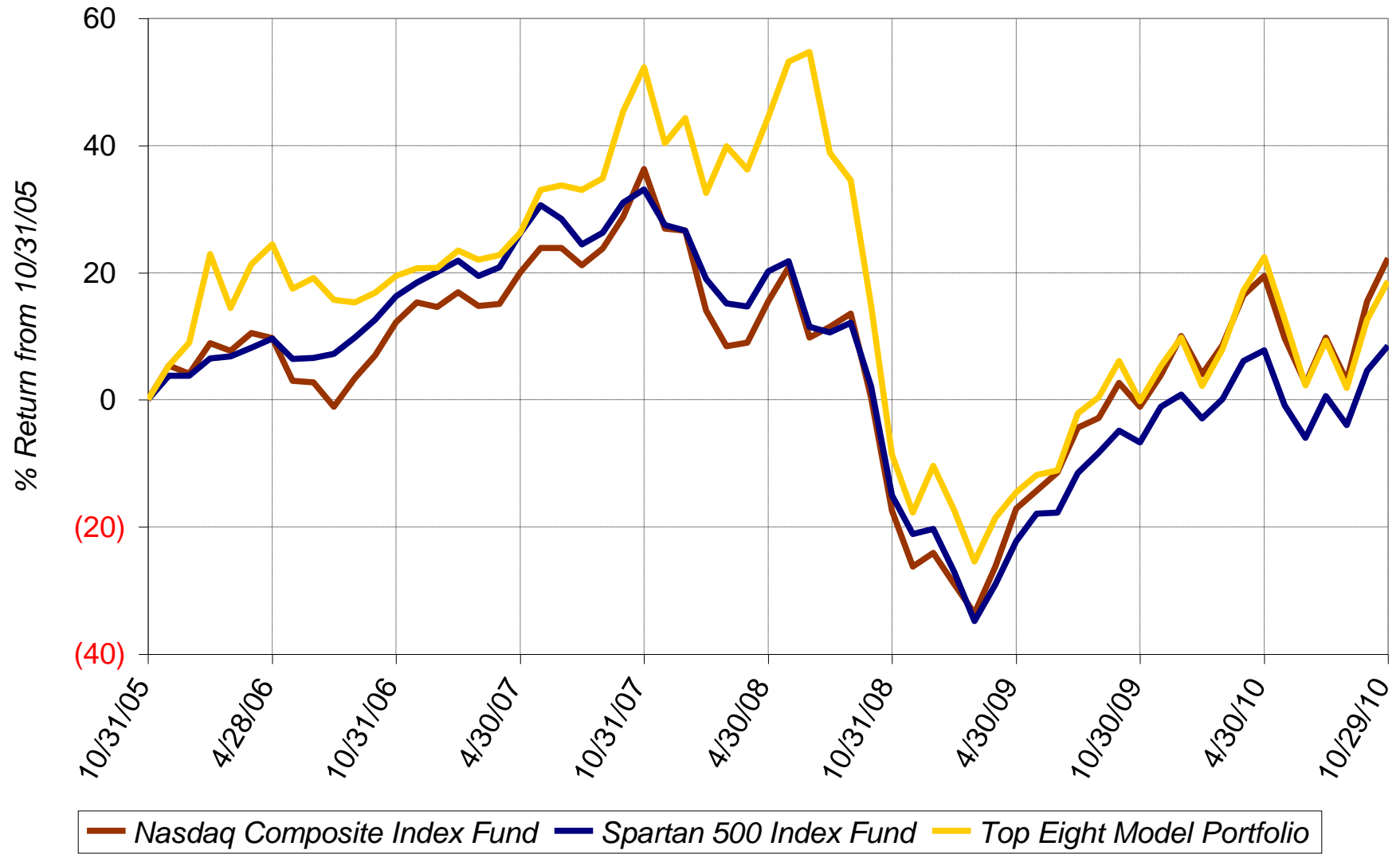
Lifetime Chart



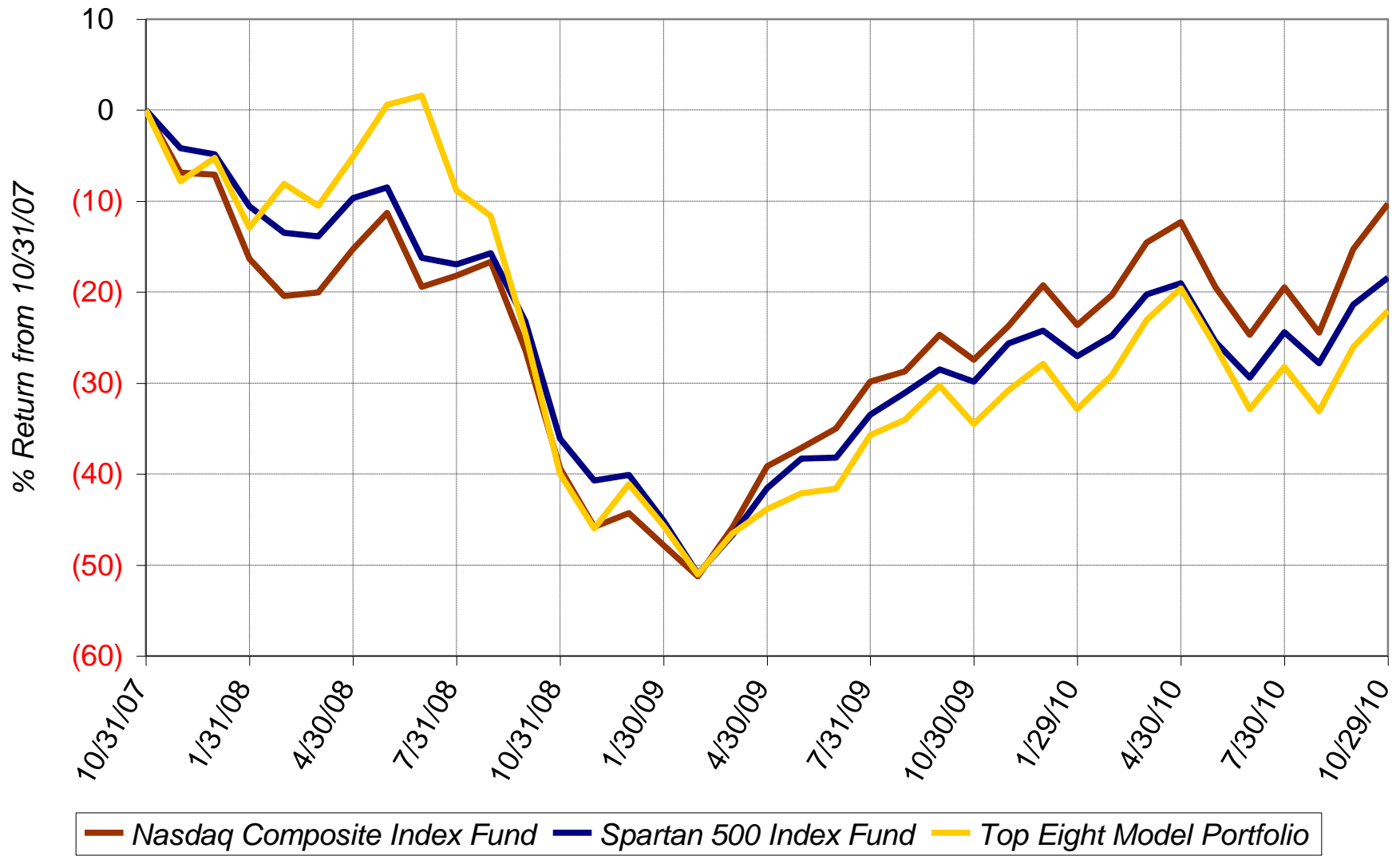
10-Year Chart



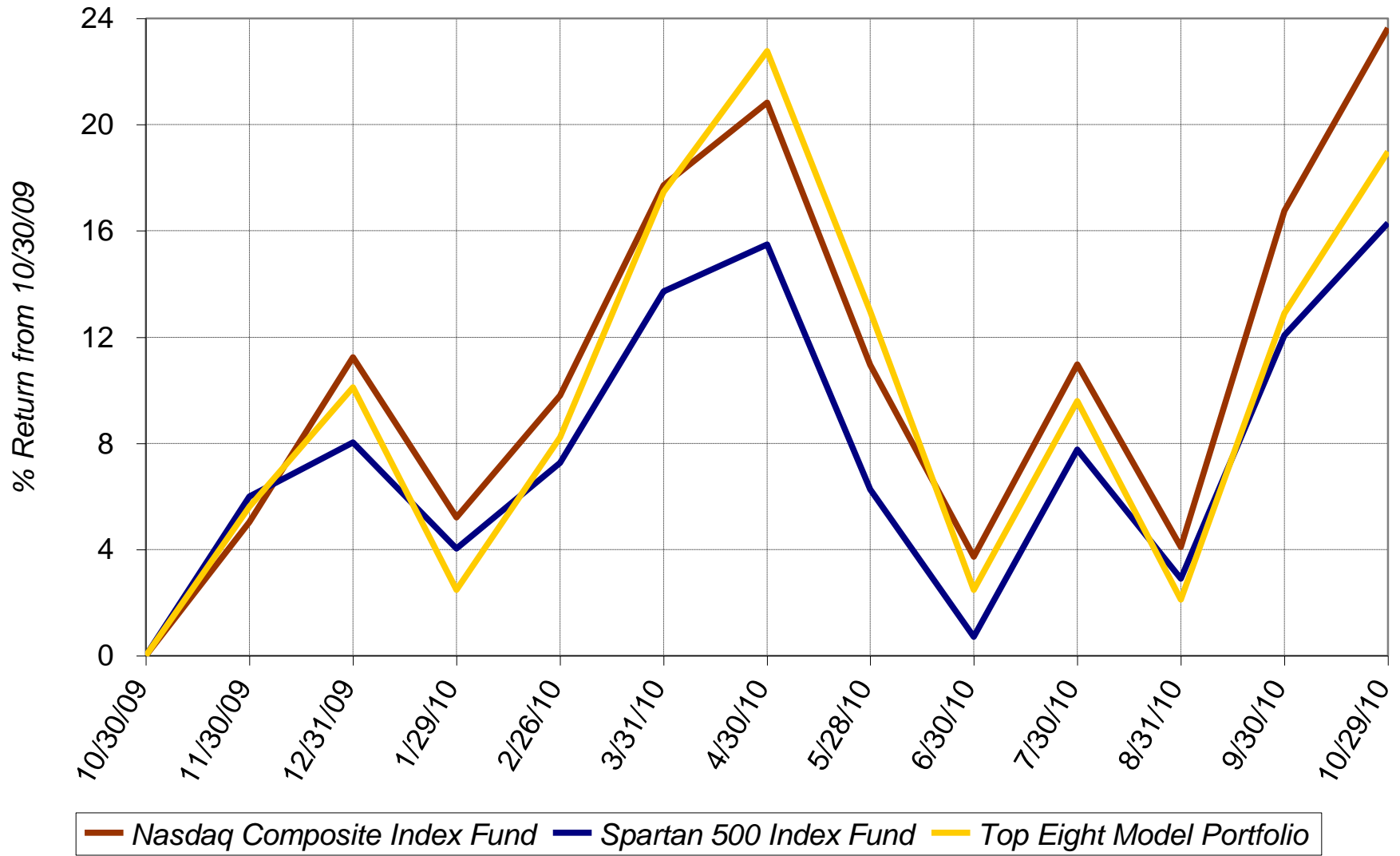
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart October 2010

